

JAN 31 1991

ARC-Examination E:EX
Southwest Region

(signed) Richard A. Kocak
Chief, Branch 8, Office of Assistant Chief Counsel
(Passthroughs & Special Industries)

Technical Coordination Report
Submitted by Jerry Marsh, Dallas District

This responds to a December 11, 1990, Technical Coordination Report, submitted by Jerry Marsh of the Dallas District, concerning the tax on diesel fuel imposed by section 4091 of the Code.

Jerry suggests that marine diesel fuel retailers with annual sales of less than 15,000 gallons should be exempt from the registration requirements of Form 637. Adoption of this suggestion would reduce the administrative burden of our district offices as well as that of many small businesses.

Jerry's report is very timely. We are now drafting proposed diesel fuel regulations and the issue of registration requirements is one of our top concerns. We will certainly consider his suggestion as we draft the regulations.

We appreciate Jerry's initiative in submitting his report and hope that he will continue to supply us with his ideas.

If you have any questions about this, please contact Frank Boland at FTS 566-4475.

FBoland/CC:PSI:8/566-4475/sb/final

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